

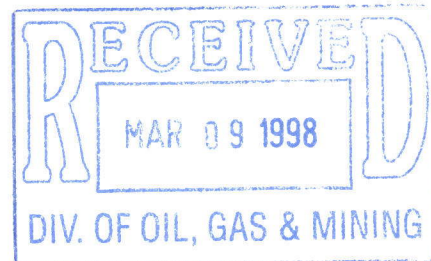


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**STEFFEN ROBERTSON AND KIRSTEN**  
Consulting Engineers and Scientists

March 5, 1998

Mr. D. Wayne Hedberg  
Permit Supervisor  
Division of Oil, Gas and Mining  
Minerals Reclamation Program  
1594 West North Temple, Suite 1210  
Salt Lake City, UT 84114-5801



RE: Continental Lime, Inc.'s Iron Basin Project (SRK Project #57713)

Dear Mr. Hedberg:

As we discussed during our meeting in UDOGM's Salt Lake City Office on February 24, 1998, Continental Lime Inc. (CLI) is preparing a proposal to open a new high grade limestone operation on the eastern flank of the southern Cricket Mountains. The new Iron Basin operation will be operated independently of CLI's existing Poison Mountain operation located to the northeast.

As agreed during the meeting, CLI will be operating the Iron Basin operation under a new R647-4 permit (large mining operation). The Bureau of Land Management (BLM) determined that the operation should be permitted under a new 3809 Plan during a meeting on January 26, 1998, and was represented by Ron Teseneer at the February 24, 1998 meeting in UDOGM's Salt Lake City Office.

CLI has already completed most of the baseline data collection related to cultural and biological clearances. At present, CLI is in the process of developing a mine plan and plan of operations (POO) for the proposed permit area. CLI is projecting a six to nine month design, permit, and review process for this Project.

CLI and Steffen Robertson and Kirsten (U.S.), Inc (SRK) look forward to working with your group on this Project. If you have any questions regarding this Project please do not hesitate to contact our office, Mr. Tony Panchyshyn of CLI, and/or Mr. Mike Brown of CLI.

Best Regards,  
*Steffen Robertson and Kirsten (U.S.), Inc.*

  
Steven K. Herron  
Geologist

Cc: Brokke—CLI Cricket Mtn.  
Brown—CLI SLC  
Robison—CLI Cricket Mtn.  
Panchyshyn—CLI SLC  
Parshley—SRK  
Rowley—BLM Fillmore

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